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Attorneys for First Real Estate

Investment Trust of New Jersey

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

SEARS HOLDINGS CORPORATION, *et als.*,

Debtors.

Chapter 11

Case No. 18-23538 (RDD)

(Jointly Administered)

**OBJECTION TO CURE AMOUNT FOR STORE #3202 FILED BY
FIRST REAL ESTATE INVESTMENT TRUST OF NEW JERSEY**

First Real Estate Investment Trust of New Jersey, through its attorneys, submits this objection to the Debtors' stated cure amount in Exhibit B to the Notice Of Cure Costs And Potential Assumption And Assignment Of Executory Contracts And Unexpired Leases In Connection With Global Sale Transaction filed by the Debtors at Docket Number 1731 (the "Notice").

1. First Real Estate Investment Trust of New Jersey is the landlord and KMart Corporation ("KMart") is the tenant under a lease, as amended from time to time, of nonresidential real property located in Westwood, New Jersey (the "Lease"). The premises leased to KMart is designated as Store #3202.

2. In the Notice, KMart advises that it may assume and assign the Lease to the successful bidder for its assets. In Exhibit B to the Notice, KMart asserts that it is indebted to First

Real Estate Investment Trust of New Jersey for \$9,243, and that that amount represents the cure amount required to be paid to assume and assign the Lease.

3. Kmart's statement of the cure amount owed to First Real Estate Investment Trust of New Jersey is woefully understated.

4. Under the Lease, Kmart is obligated to pay, among other amounts, its *pro rata* share of the real estate taxes assessed for the premises.

5. As of the date hereof, and as evidenced by Exhibit A, KMart has failed to pay \$137,821.22 on account of its *pro rata* real estate taxes, which amount accurately reflects the true arrearages and cure amount owed to First Real Estate Investment Trust of New Jersey.

6. In the event that the assumption and assignment of the Lease is consummated after February 1, 2019, KMart will be indebted to First Real Estate Investment Trust of New Jersey for an additional \$115,616.70, for a total cure amount of \$253,437.92.

7. First Real Estate Investment Trust of New Jersey reserves all rights to amend this objection and to assert all rights and objections in connection with any transaction involving the assumption and assignment of the Lease.

GUTFLEISH LAW, LLC
*Attorneys for First Real Estate
Investment Trust of New Jersey*

By: /s/ Harry M. Gutfleish
Harry M. Gutfleish

Dated: January 25, 2019

CERTIFICATE OF SERVICE

I, Harry M. Gutfleish, certify that on January 25, 2019 I caused a copy of the foregoing Cure Amount Object for Store 3202 (Westwood, NJ) filed on behalf of First Real Estate Investment Trust of New Jersey to be served by transmission of Notice of Electronic Filing generated by CM/ECF on all parties of record, and on the parties and in the manner set forth below.

/s/ Harry M. Gutfleish

Dated: January 25, 2019

SERVICE LIST

BY EMAIL

I. Bid Notice Parties

a. Debtors

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